DEPARTMENT OF INDUSTRIAL RELATIONS Division of Labor Statistics and Research 455 Golden Gate Avenue, 9th Floor San Francisco, CA 94102

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TRAVEL AND SUBSISTENCE PROVISIONS

FOR

DREDGER (OPERATING ENGINEER)

IN

IMPERIAL, INYO, KERN, LOS ANGELES, MONO, ORANGE, RIVERSIDE, SAN BERNARDINO, SAN DIEGO, SAN LUIS OBISPO, SANTA BARBARA, AND VENTURA COUNTIES

MEMORANDUM OF UNDERSTANDING

between

THE INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL UNION NO. 12

and

DREDGING CONTRACTORS ASSOCIATION OF CALIFORNIA

This Memorandum of Understanding between the Dredging Contractors Association of California and the International Union of Operating Engineers Local No. 12, shall extend the Dredge Master Labor Agreement for the period of August 2007-2010 until August 1, 2013.

Dredging Contractors Association of Cautomia Memorandum of Understanding Page 2

Article XIII. Travel and Subsistence

Replace existing language with the following new language:

Section A - New Paragraph 4.

4. Effective August 1, 2010, One Hundred Dollars (\$100.00) per day shall be paid in addition to any payments that may be due under Section A.

Section B. - New Paragraph 4

If an employee is sent by the Individual Employer to work in a free zone from an area outside such free zone, such employee shall be paid, effective August 1, 2010, One Hundred Dollars (\$100.00), per day in such zone during the first thirty (30) calendar days after commencing such employment. In the case of employees who are "transferred" or "terminated" or "quit" and rehired by letter in accordance with the Hiring Regulations, within thirty (30) days by the Individual Employer at another job or project shall receive, effective August 1, 2010 One Hundred Dollars (\$100.00) in such zone during the first thirty (30) calendar days after commencing such employment.

If an employee is sent by the Individual Employer to work in a free zone from an area outside such free zone, such employee shall be paid, effective August 1, 2011, One Hundred Dollars (\$100,00), per day in such zone during the first twenty (20) calendar days after commencing such employment. In the case of employees who are "transferred" or "terminated" or "quit" and rehired by letter in accordance with the Hiring Regulations, within twenty (20) days by the Individual Employer at another job or project shall receive effective August 1, 2011, One Hundred Dollars (\$100.00), in such zone during the first twenty (20) calendar days after commencing such employment.

If an employee is sent by the Individual Employer to work in a free zone from an area outside such free zone, such employee shall be paid, effective August 1, 2012, One Hundred Dollars (\$100.00), per day in such zone during the first ten (10) calendar days after commencing such employment. In the case of employees who are "transferred" or "terminated" or "quit" and rehired by letter in accordance with the Hiring Regulations, within ten (10) days by the Individual Employer at another job or project shall receive effective August 1, 2012. One Hundred Dollars (\$100.00), in such zone during the first ten (10) calendar days after commencing such employment.

Effective July 31, 2013, all language pertaining to ten (10) days will be reduced to zero (0).

Designing Contraction Association of Cattornia Memorandum or Understanding Page 3

Section B New Paragraphs b and c

- b. For jobs in the Subsistence Zone, as defined under Section A, Paragraph 2 hereof, subject to the provisions of Section B, Paragraph 5 hereof, effective August 1, 2010, One Hundred Dollars (\$100.00), per day shall be paid in addition to any payments that may be due under Section B, Paragraphs 1 and 2 hereof.
- c. For jobs in the Special Zone as defined under Section A. Paragraph 3 hereof, subject to the provisions of Section B. Paragraph 5 hereof, effective August 1, 2010, One Hundred Dollars (\$100.00, per day shall be paid in addition to any payment that may be due under Section B. Paragraphs 1 and 2 hereof.

MASTER LABOR AGREEMENT

between

THE INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL UNION NO. 12

and the

DREDGING CONTRACTORS ASSOCIATION OF CALIFORNIA

This Agreement made and entered into this 1st day of August, 2007 by and between the Dredging Contractors Association of California, hereinafter referred to as the Collective Bargaining Representative of Employer and the International Union of Operating Engineers, Local Union No. 12, hereinafter referred to as the Union.

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Department of Industrial Relations

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Div. of Labor Statistics & Research Chief's Office

ARTICLE XIII Travel and Subsistence

- A. For the purpose of reimbursing employees for travel and subsistence incurred, it is agreed that two (2) centers shall be designated within the area covered by this Agreement. These centers shall be as follows: The City Hall of Long Beach and San Diego. The area surrounding each of these two (2) centers shall be divided into three (3) zones as follows:
- 1. <u>Free Zone</u> An area up to and including twenty (20) road miles from the said centers shall be known as the Free Zone.
- 2. <u>Subsistence Zone</u> Any area more than twenty (20) road miles from the said centers shall be known as the Subsistence Zone.
- 3. <u>Special Zone</u> An area extending twenty-five (25) miles from the shoreline of Lake Mead and all of Colorado River area shall be known as the Special Zone.
- 4. Effective August 1, 2007, Sixty-Five Dollars (\$65.00) per day shall be paid in addition to any payments that may be due under Section A. Effective August 1, 2008, Sixty-Seven Dollars and fifty cents (\$67.50) per day shall be paid in addition to any payments that may be due under Section A. Effective August 1, 2009, Seventy Dollars (\$70.00) per day shall be paid in addition to any payments that may be due under Section A.
- B. When the Individual Employer transfers or the employee is required to walk the pipeline from dock-to-dredge and/or from shore-to-dredge or from dredge-to-dock or from dredge-to-shore when the employees are going to work or returning therefrom, should the boat time taken in transfer, or walking at the rate of three (3) miles per hour in either direction exceed ten (10) minutes, they shall receive Fifteen Dollars (\$15.00) for each fifteen (15) minutes or fraction thereof that the transfer exceeds ten (10) minutes.
- 1. An employee hired to join a dredge in another port who advances his fare or his return fare upon completion of his employment shall be reimbursed by the

Individual Employer on the next succeeding payday.

- 2. Traveling time shall be paid at straight-time rates, not to exceed eight (8) hours in twenty-four (24) hours. Travel allowance shall be paid at the current IRS posted rate.
- 3. An employee shall be reimbursed by the Individual Employer on his next regular payday for posted bridge and ferry tolls incurred for cars going to and from work upon the presentation of valid receipt.
- 4. If an employee is sent by the Individual Employer to work in a free zone from an area outside such free zone, such employee shall be paid, effective August 1, 2007, Sixty-Five Dollars (\$65.00), effective August 1, 2008, Sixty-Seven Dollars and fifty cents (\$67.50), effective August 1, 2009, Seventy Dollars (\$70.00), per day in such zone during the first thirty (30) calendar days after commencing such employment. In the case of employees who are "transferred" or "terminated" or "quit" and rehired by letter in accordance with the Hiring Regulations, within thirty (30) days by the Individual Employer at another job or project shall receive effective August 1, 2007, Sixty-Five Dollars (\$65.00), effective August 1, 2008, Sixty-Seven Dollars and fifty cents (\$67.50), effective August 1, 2009, Seventy Dollars (\$70.00), in such zone during the first thirty (30) calendar days after commencing such employment.
- 5. When crew is boarded by the Individual Employer, a sum not to exceed Sixteen Dollars (\$16.00) per day shall be charged for board and lodging, except when notice of absence is given. No deduction of less than a day.
- 6. The travel and subsistence payments provided in Paragraph 7 hereof shall not be made in the following cases:
 - a. To men employed at the Individual Employer's regular yard.
- b. If full board and lodging is made available by the Individual Employer at the job.
 - 7. Payment for travel and subsistence shall be made for each day as

follows:

- a. For jobs within the Free Zone, as defined under Section A, Paragraph 1 hereof, only those payments applicable under Section B, Paragraph 1, 2, and 3 hereof shall be made.
- b. For jobs in the Subsistence Zone, as defined under Section A, Paragraph 2 hereof, subject to the provisions of Section B, Paragraph 5 hereof, effective August 1, 2007, Sixty-Five Dollars (\$65.00), effective August 1, 2008, Sixty-Seven Dollars and fifty cents (\$67.50), effective August 1, 2009, Seventy Dollars (\$70.00), per day shall be paid in addition to any payments that may be due under Section B, Paragraphs 1 and 2 hereof.
- c. For jobs in the Special Zone as defined under Section A, Paragraph 3 hereof, subject to the provisions of Section B, Paragraph 5 hereof, effective August 1, 2007, Sixty-Five Dollars (\$65.00), effective August 1, 2008, Sixty-Seven Dollars and fifty cents (\$67.50), effective August 1, 2009, Seventy Dollars (\$70.00),per day shall be paid in addition to any payment that may be due under Section B, Paragraphs 1 and 2 hereof.
- d. In the Subsistence Zone and Special Zone if the employee works six (6) days or forty-eight (48) hours per week, subsistence shall be paid for seven (7) days.